



June 23, 2014

Caring for Your Coast

♦ ♦ ♦  
**Gary Jones**  
Acting Director

**Kerry Silverstrom**  
Chief Deputy

**John Kelly**  
Deputy Director

TO: Honorable Board of Supervisors

FROM: Gary Jones, Director *GJ*

SUBJECT: **ADDITIONAL UNBUDGETED FISCAL YEAR 2013-14 MARINA REVENUE  
RESULTING FROM EXTENDED LEASEHOLDS**

An instruction to the Department of Beaches and Harbors in Supervisor Knabe's unanimously-approved June 18, 2013 motion regarding Marina del Rey is to report additional unbudgeted annual Marina revenue resulting from Marina leasehold extensions outside of the participation fee percentages automatically allocated to the Marina Accumulative Capital Outlay (ACO) Fund. The Chief Executive Office and the Board's Executive Office are, in turn, to include consideration of this report as a standing item in each year's budget deliberations in order to allow the Board of Supervisors to exercise its judgment in allocating this additional annual revenue as it deems appropriate.

Accordingly, please find attached a spreadsheet identifying that an additional \$5.77 million in excess Marina revenue has been received. This total amount outside our FY 2013-14 Final Adopted Budget breaks down as follows:

Leasehold Rent	\$ 217,615
Participation Fees (net of automatic transfers to the Marina ACO Fund)	5,332,971
Extension Fee	60,000
Option Fee	<u>160,000</u>
TOTAL	\$5,770,586

We requested the Chief Executive Officer and were allowed to include \$4 million of this excess revenue in our Anchorage 47 Dock Replacement Capital Project budget to reduce that project's funding gap, which capital project approval Board letter is expected to be considered by your Board on July 1, 2014. If that capital project funding is ultimately approved by your Board, only \$1.77 million of the total above-identified additional Marina revenue will remain unallocated to our Department.

GJ:ks

Attachment (1)

c: Chief Executive Officer  
Executive Office

**DEPARTMENT OF BEACHES AND HARBORS**

**Additional Marina revenue resulting from Marina leasehold extension fees**

**FY 2013-14**

**As of April 30, 2014**

	<b>FY 2013-14 Adjusted</b>		<b>Allocations to the Marina</b>	<b>Net Additional</b>
	<b>Budget</b>	<b>Y-T-D Total Collected</b>	<b>ACO Fund</b>	<b>Revenue Received</b>
<b>I. Leasehold Rent</b>				
1. Parcel 15U	\$630,000	\$678,569	-	\$48,569
2. Parcel 42	\$327,686	\$370,335	-	\$42,649
3. Parcel 145	\$312,000	\$438,397	-	\$126,397
<b>Total Leasehold Rent</b>	<b>\$1,269,686</b>	<b>\$1,487,301</b>	<b>\$0</b>	<b>\$217,615</b>
<b>II. Participation Fee</b>				
1. Parcel 15U	-	\$8,504,879	\$3,250,000	\$5,254,879
2. Parcel 64	-	\$820,092	\$742,000	\$78,092
<b>Total Participation Fee *</b>	<b>\$0</b>	<b>\$9,324,971</b>	<b>\$3,992,000</b>	<b>\$5,332,971</b>
<b>III. Leasehold Extension Fee</b>				
1. Parcel 10	-	60,000	-	\$60,000
<b>Total Extension Fee</b>	<b>\$0</b>	<b>\$60,000</b>	<b>\$0</b>	<b>\$60,000</b>
<b>IV. Leasehold Option Fee</b>				
1. Parcel 13	-	100,000	-	\$100,000
2. Parcel 21	-	30,000	-	\$30,000
3. Parcel OT	-	30,000	-	\$30,000
<b>Total Option Fee</b>	<b>\$0</b>	<b>160,000</b>	<b>\$0</b>	<b>\$160,000</b>
<b>Grand Total</b>	<b>\$ 1,269,686</b>	<b>\$ 11,032,272</b>	<b>\$ 3,992,000</b>	<b>\$ 5,770,586</b>